



House Bill No. 6559

Public Act No. 11-212

***AN ACT CONCERNING THE MUNICIPAL OPTION TO ADOPT
ASSESSMENT RATES LIMITING PROPERTY TAX INCREASES ON
RESIDENTIAL PROPERTIES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective from passage and applicable to assessment years commencing on or after October 1, 2011*) (a) For the purposes of this section:

(1) "Apartment property" means a building containing four or more dwelling units used for human habitation, the parcel of land on which such building is situated, and any accessory buildings or other improvements located on such parcel;

(2) "Residential property" means a building containing three or fewer dwelling units used for human habitation, the parcel of land on which such building is situated, and any accessory buildings or other improvements located on such parcel;

(3) "Base year" means the assessment year commencing October 1, 2010; and

(4) "Adjusted tax levy" means the total amount of taxes raised by taxation in a fiscal year by a municipality.

House Bill No. 6559

(b) Notwithstanding any provision of the general statutes or any special act, municipal charter or any home rule ordinance, any municipality in which the provisions of section 12-62n of the general statutes were effective for the assessment year commencing October 1, 2010, shall make annual adjustments to the assessment rate charged to apartment and residential property in accordance with the provisions of this section, but in no event shall the assessment rate for any class of property be in excess of seventy per cent.

(c) For the assessment year commencing October 1, 2011, in any municipality that adopts the property tax system under this section, apartment property shall be assessed at a rate of fifty per cent. For assessment years commencing on and after October 1, 2012, the assessor shall determine a rate of assessment for apartment property that will have the effect of phasing in proportionate increases in the rate so that, by the assessment year commencing October 1, 2015, the assessment rate for apartment property shall be seventy per cent.

(d) In any municipality that adopts the property tax system under this section, for the assessment year commencing October 1, 2011, and only for said assessment year, the assessor shall determine a rate of assessment for residential property that will have the effect of increasing the average property tax for residential property as a result of revaluation by three and one-half per cent over the property tax for such property class in the base year, but in no event shall the assessment rate be less than twenty-three per cent. For assessment years commencing on and after October 1, 2011, the assessor shall then calculate an adjustment to the rate of assessment for residential property in accordance with subsection (e) of this section.

(e) Not later than January thirty-first or the completion of the grand list, whichever is later, the assessor shall annually calculate the difference in the adjusted tax levy by such municipality in the current fiscal year and the prior fiscal year. The assessor shall then adjust the

House Bill No. 6559

adjusted tax levy for the current fiscal year in accordance with any change in the consumer price index for all urban consumers in the northeast region in the preceding fiscal year. If, after such adjustment, (1) the adjusted tax levy in the current fiscal year exceeds the adjusted tax levy in the prior fiscal year by more than one hundred per cent of the rate of inflation, as determined in accordance with such consumer price index, the assessor, in his or her calculation of the assessment ratios for the next grand list, shall increase the rate of assessment for residential properties from the prior grand list year by five per cent; (2) the adjusted tax levy in the current fiscal year exceeds the adjusted tax levy in the prior fiscal year by more than fifty per cent, but not more than one hundred per cent, of such rate of inflation, the assessor shall increase such rate of assessment by three and one-half per cent; (3) the adjusted tax levy in the current fiscal year exceeds the adjusted tax levy in the prior fiscal year by not more than fifty per cent of such rate of inflation, the assessor shall increase such rate of assessment by two and one-half per cent; (4) the adjusted tax levy in the current fiscal year is equal to the adjusted tax levy in the prior fiscal year, or is less than one-half per cent less than the adjusted tax levy in the prior fiscal year, the assessor shall increase such rate of assessment by one and one-half per cent; and (5) the adjusted tax levy in the current fiscal year is less than the adjusted tax levy in the prior fiscal year by at least one-half per cent, the assessor shall make no change in such rate of assessment.

(f) Not later than June fifteenth in any year in which the adjusted tax levy in the current fiscal year increases by more than two and six-tenths per cent over the adjusted tax levy in the prior fiscal year, one per cent of the total number of electors of such municipality may petition in writing for a referendum on the budget establishing such increase. Any such referendum shall be held not more than ten days after receipt of such petition by the town clerk and shall be conducted in accordance with the provisions of chapter 90 of the general statutes. Such budget shall not become effective unless a majority of the electors

House Bill No. 6559

voting in such referendum vote in favor thereof. Only one referendum may be held, and, if the vote is against the budget, such municipality shall so adjust the budget as to limit any increase to be equal to or less than two and six-tenths per cent.

Approved July 13, 2011